

Vote Record

Assembly Committee on Transportation

Date: 10-21-99
Moved by: Steinbrink Seconded by: Balow
AB: 482 Clearinghouse Rule: _____
AB: _____ Appointment: _____
AJR: _____ SJR: _____ Other: _____
A: _____ SR: _____

A/S Amdt: _____
A/S Amdt: _____ to A/S Amdt: _____
A/S Sub Amdt: _____
A/S Amdt: _____ to A/S Sub Amdt: _____
A/S Amdt: _____ to A/S Amdt: _____ to A/S Sub Amdt: _____

Be recommended for:

- ☒ Passage
☐ Introduction
☐ Adoption
☐ Rejection

- ☐ Indefinite Postponement
☐ Tabling
☐ Concurrence
☐ Nonconcurrence
☐ Confirmation

Committee Member

Rep. David Brandemuehl Chair
Rep. Jeff Stone
Rep. Eugene Hahn
Rep. Michael Huebsch
Rep. Steve Kestell
Rep. Joseph Leibham
Rep. Jerry Petrowski
Rep. Scott Suder
Rep. John Townsend
Rep. Julie Lassa
Rep. Donald Hasenohrl
Rep. Barbara Gronemus
Rep. Robert Turner
Rep. Leon Young
Rep. John Steinbrink
Rep. Larry Balow
Rep. Gary Sherman

Aye	No	Absent	Not Voting
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Totals: 14 3

☒ Motion Carried

☐ Motion Failed



44 EAST MIFFLIN STREET, SUITE 101
MADISON, WISCONSIN 53703
608-286-0764

1999 ASSEMBLY BILL 482

TESTIMONY - FOR INFORMATION ONLY

Delivered by Janet R. Swandby
Executive Director

Submitted to the Assembly Transportation Committee
October 7, 1999

Subject of Bill: Authorizing Specific Information Signs Advertising Seasonal Food Service

The Outdoor Advertising Association has, in the past, strongly opposed efforts to authorize additional Specific Information Signs (SIS).

"SIS" signs are the blue and white "logo" signs which advertise gas, food, lodging and camping facilities. The program was initiated by the federal government and then implemented by the individual states.

The outdoor advertisers, or billboard companies, have opposed nearly all past attempts to expand the "SIS" program due to concerns that it unfairly competes with, and undercuts the services already offered in the private sector. For instance, "SIS" logo signs are permitted directly on the state highway right-of-way, where our advertising signs are forbidden. In addition, these signs can be placed in any zoning district, including agricultural and residential areas. State and federal law prohibits the erection of new billboards anywhere but areas zoned commercial or industrial. Finally, "SIS" signs can be offered at a lower rate than billboards located on private property, partly because there is no requirement to pay personal property taxes or rental fees to a landowner.

We also submit that most requests for highway signage can, and should be, addressed at the local, not the state level. Cities, villages, and towns that have state highways passing through their boundaries have the authority to permit or deny a wide variety of commercial signs located adjacent to these highways. More and more often municipalities are adopting severely restrictive sign ordinances. This forces businesses to ask for state sponsored "SIS" signs instead.

In spite of these factors, we have decided to *withhold opposition to this very specific bill*. I am testifying "for information only" in order to express concerns we may have in the future if more

attempts are made to expand this program.

No one knows better than we do how important signage is for the survival of retail and service-oriented business. In Wisconsin, for instance, the tourism industry is the number one source of outdoor advertising revenue. Commercial establishments literally live and die by their ability to attract motorists off the highway.

We realize that some seasonal businesses would benefit from passage of AB 482. We fear, however, that this is not the last request you will receive from constituents for state sponsored, highway right-of-way signs promoting their business. After all, if you are in a retail or service oriented business, you naturally want as much signage as you can get.

If and when these future requests come in, we ask you to consider the services already offered by the private sector in commercial areas, as well as the role of *local* government in crafting sign ordinances that truly serve the needs of the business community.

Thank you for giving me the opportunity to provide the outdoor advertising industry's perspective on the expansion of the SIS program.

Testimony of Winn S. Collins

(on behalf of Representative Seratti)

Assembly Bill 482

October 12, 1999

Thank you Chairman Brandemuehl and members of this committee for giving me the opportunity to speak with you today. My name is Winn Collins and I am here on behalf of Representative Lorraine Seratti. Representative Seratti would have liked to be here this morning, but cannot attend due to a family emergency.

As most of you well know, the Wisconsin tourism industry fluctuates tremendously based on the seasons. Most areas see steady business in spring and autumn with tourism peaking in summer. During winter, these tourist sensitive businesses often close because the operating costs are too high relative to the low customer traffic.

These same small businesses that can not afford to remain open during the off-season, generally have small advertising budgets. Advertising on large billboards is generally beyond their means and advertising on specific information signs is not possible since state statute only allow restaurants open year-round to use such signs.

Specific information signs are the blue state signs motorists see along the highway informing drivers of gas, food, lodging and camping establishments at each exit. Since these signs are meant to aid motorists, rather than simply serve as advertisement, there are strict rules governing the hours and months a place must be open so motorists do not exit a highway only to find the place closed.

It is important to continue to have strict rules governing the specific information sign program and neither Representative Seratti nor myself want to loosen the guidelines so as to confuse drivers. However, the rules governing the type of business establishment are inconsistent and this bill hopes to rectify these problems.


For example, seasonal places of lodging and camping are allowed to use the specific information sign program, but restaurants cannot participate in the program unless they operate at least five days a week year-round and are open from at least 10:00 a.m. to 7:00 p.m. This opens up the sign program to larger restaurants, but not the small businesses sensitive to the trends of tourism. Additionally, many restaurant owners I have spoken with feel 10:00 a.m. is too early, since most customer traffic is during lunch and dinnertime.

This bill rectifies both problems by allowing restaurants open at least 32 continuous weeks per year to participate in the program as well as allow businesses that open at 11:00 a.m. Under the bill seasonal restaurants would be required to cover their sign during the off-season so drivers do not mistakenly think it is open. This is the same law governing seasonal lodging and camping establishments.

One of the only negative arguments against this bill is that there might not be enough open sign spaces to meet the demand. However, the Legislative Fiscal Bureau indicates that 627 out of the 2,987 specific information sign spaces allotted to restaurants were open as of the end of the second quarter.

Allowing new restaurants to participate in the program would fill many of these spots. With each permit costing \$40 annually and plenty of open spaces available, the Legislative Fiscal Bureau expects this bill to generate \$12,600 annually from additional permit sales with no increased cost.

Thank you for taking the time to listen to my comments, I will now be happy to answer any questions.

1999 Session		LRB Number 2983/3
FISCAL ESTIMATE DOA-2048 N(R06/99)		<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL
Subject An Act to ammend 86.195 (3) (b) 2. And 86.195 (8) of the statutes relating to specific information signs advertising seasonal food service.		Bill Number AB 482
		Amendment No. if Applicable Administrative Rule Number
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		
<input type="checkbox"/> Increase Existing Appropriation <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local: <input checked="" type="checkbox"/> No local government costs		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEG-S		Affected Chapter 20 Appropriations 20.395 (3) (ev)
Assumptions Used in Arriving at Fiscal Estimate <p>There are 2987 spaces available on specific information signs under the food category throughout the state. A total of 627 spaces are open as of the end of the second quarter. By the passage of this amendment, there is the potential for increased revenue as more food category businesses will become eligible.</p> <p>For this estimate, an assumption was made that about 50% of the currently available spaces on existing food category signs would be filled due to the expanded eligibility. There is no data currently available to better determine the likely demand or availability for signs under this expansion.</p> <p>The revenue is based on the increase of permits sold for the new advertising panels. The permit cost is \$40.00 / year paid to the contractor who in turn pays the Department of Transportation on a quarterly basis.</p> <p>315 additional permits at \$40/yr = \$12,600 per year.</p>		
Long-Range Fiscal Implications A secondary impact impact may occur for businesses using these signs. The provision expands eligibility for seasonal signs. Those signs must be removed or covered during the off season. The contractor that manages the signs may experience increased costs related to the greater number of seasonal signs that may reventually result in higher costs to businesses.		
Prepared by: John L. Noll	Telephone No. (608) 266-0318	Agency D.O.T
Authorized Signature: 	Telephone No. 608-266-6885	Date 9-30-99

FISCAL ESTIMATE WORKSHEETDetailed Estimate of Annual Fiscal Effect
DOA-2047 (R06/99)**1999 Session**
☒ ORIGINAL ☐ UPDATED
☐ CORRECTED ☐ SUPPLEMENTAL

LRB Number -2983/3	Amendment No. if Applicable
Bill Number AB482	Administrative Rule Number

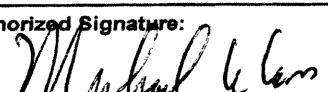
Subject**An Act to amend 86.195 (3) (b) 2. And 86.195 (8) of the statutes; relating to specific information signs****I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):****none**

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$ none	\$ -none
(FTE Position Changes)		(FTE)	(- FTE)
State Operations - Other Costs		none	-none
Local Assistance		none	-none
Aids to Individuals or Organizations		none	-none
TOTAL State Costs by Category		\$ none	\$ -none
B. State Costs by Source of Funds			
GPR		\$ none	\$ -none
FED		none	-none
PRO/PRS		none	-none
SEG/SEG-S		none	-none
III. State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		Increased Rev.	Decreased Rev.
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S		12,600	-
TOTAL State Revenues		\$ 12,600	\$ -None

NET ANNUALIZED FISCAL IMPACTSTATELOCAL

NET CHANGE IN COSTS \$ none \$ none

NET CHANGE IN REVENUES \$ 12,600 \$ none

Prepared by: John L. Noll	Telephone No. (608) 266-0318	Agency Dept. of Transportation
Authorized Signature: 	Telephone No. 608-266-6885	Date 4-30-99



Date: October 12, 1999

To: Assembly Committee on Transportation
Representative David Brandemuehl, Chairman

From: Kathleen Kilgore, Government Relations Specialist
Wisconsin Restaurant Association

Re: Support of Assembly Bill 482

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The Wisconsin Restaurant Association represents over 7,000 foodservice outlets in the state of Wisconsin. Our members are always looking for more ways to reach new customers. That is why it has always been the prerogative of WRA to support new, affordable opportunities for our members to advertise on roadside signs. WRA strongly supports Assembly Bill 482 for the changes it makes in the Specific Information Sign (SIS) law.

First and foremost, the bill shortens the minimum time that a restaurant must be open by requiring that the facility be open for business no later than 11 a.m., instead of 10 a.m. which is current law. This segment of the law has been inconsistently enforced around the state. By pushing back the requirement by one hour, the playing field of the highly competitive restaurant industry is leveled, giving many smaller, independently owned operators a chance to advertise.

The bill also allows seasonal restaurants to advertise on a SIS sign. Roadside advertising opportunities for seasonal restaurants are very limited. This law change gives seasonal restaurants a direly needed alternative to the high cost of billboards or other privately owned signs that their year-round competition can more easily afford.

WRA has always supported more opportunities for restaurants to advertise, whether it is through private signs and billboards or state owned informational and directional signs. We ask for your support of Assembly Bill 482.



## **BILL SUMMARY**

### **AB 482: Specific Information Signs Advertising Food Service**

Date: November 9, 1999

#### **BACKGROUND**

Under current law, no restaurant may advertise on a specific information sign (the blue signs notifying motorists of gas, food, lodging or camping services) unless the restaurant has regular operation at least five days a week, opens for service no later than 10 a.m. and remains open until at least 7 p.m.

#### **SUMMARY OF AB 482**

Assembly Bill 482 shortens the minimum time that a restaurant must be open to advertise on a specific information sign. A restaurant would have to be open for business no later than 11 a.m., instead of by 10 a.m. AB 482 also allows a restaurant open on a seasonal basis to advertise on specific information signs, as long as it is open at least 32 continuous weeks. Signs for restaurants open on a seasonal basis must be covered during the off-season.

#### **FISCAL EFFECT**

A fiscal estimate prepared by the Department of Transportation indicates there are currently 2,987 spaces available throughout the state on specific information signs under the food category. As of the end of the second quarter of this year, a total of 627 spaces are open. With passage of AB 482, there is the potential for increased revenue as more food category businesses become eligible.

Although there is no data currently available to determine the likely demand for signs under this expansion, an assumption was made for this estimate that about 50% of the currently available spaces on existing food category signs would be filled due to the expanded eligibility. Since the permit cost is \$40 per year, an additional 315 permits would increase revenues by \$12,600 per year with no increased costs to the state.

#### **PROS**

1. Shortening the minimum time that a restaurant must be open would level the playing field of the highly competitive restaurant industry, giving many smaller, independently owned restaurants a chance to advertise.
2. Currently, lodging and camping facilities open on a seasonal basis are already allowed to advertise on a specific information sign. AB 482 would extend this same opportunity to seasonal restaurants as well.
3. At this time, there are 627 unused spaces on specific information signs reserved for "FOOD" services. Allowing new restaurants to participate in this program would fill many of the spots and increase revenue for the department.



### **CONS**

1. Expanding the eligibility for specific information signs could be seen as unfairly competing with private billboard companies.

### **SUPPORTERS**

Rep. Lorraine Seratti, author; Sen. Roger Breske, lead co-author; and Kathi Kilgore, WI Restaurant Association.

### **OPPOSITION**

No one testified or registered in opposition to AB 482.

### **HISTORY**

Assembly Bill 482 was introduced on September 28, 1999 and referred to the Assembly Committee on Transportation. A public hearing was held on October 12, 1999. On October 21, 1999, the Committee voted 14-0-3 [Reps. Townsend, Hasenohrl and Turner absent] to recommend passage of AB 482.

**CONTACT:** Sheri Krause, Office of Rep. David Brandemuehl